

South Carolina Retirement Systems



Membership and the Enrollment Process

Membership eligibility

■ SCRS and ORP

- Membership in SCRS or participation in ORP is a condition of employment except in the following job classifications:
 - School bus driver
 - Earn less than \$100 per month
 - Non-permanent position
 - Day laborer
 - Hospital worker
 - Elected official



Membership eligibility

■ SCRS and ORP

- The decision to be a non-member in the circumstances listed on the previous slide is an irrevocable one.
- These cannot join:
 - Independent contractors
 - Students
 - Retirees



Membership eligibility

■ PORS

- ❑ Preserve public order
- ❑ Protect life and property
- ❑ Detect crimes in the state
- ❑ Prevent and control property destruction by fire
- ❑ Peace officer employed by DOC, DJJ, DMH
- ❑ Earn at least \$2,000 per year
- ❑ Devote 1,600 hours per year
- ❑ Exceptions to the above: probate judges and magistrates



New employees select a plan

- **Employees eligible to join SCRS must choose either SCRS membership or ORP participation.**
- **If an employee does not make a decision within 30 days of his date of hire, the employee will default to SCRS membership.**



Selecting ORP participation

- ORP participation requires a vendor selection and employers should only submit documents when a final selection is determined.
- ORP participation is not an option for employees covered by county employment or PORS.
- ORP participants may irrevocably switch to SCRS membership during their 1st - 5th employment anniversary during the open enrollment period.
- ORP employees with secondary employment must join ORP if the secondary employer has coverage. If not, the member has the option of SCRS or Non-Membership.
- ORP termination of vendor changes require the completion of the State Optional Retirement Program Form 1162.



Setting up a retirement account

- Any time that you hire a new employee, a *Retirement Plan Enrollment* (**Form 1100**) or an *Election of Non-Membership* (**Form 1104**) should be completed.
- Submit the form to the Retirement Systems along with a copy of the member's Social Security card.
- If you are enrolling an employee into PORS the Retirement Systems may require a Form 1107 and job description to determine PORS eligibility.



Adding beneficiaries

- Be sure to include the applicable beneficiary form when you submit an enrollment form to the Retirement Systems:
 - *Beneficiary Designation Form* (Form 1102); or,
 - *Trust Designation Form* (Form 1103)



Beneficiary designations

■ Form 1102

- Section II-A: A **primary beneficiary** receives a refund of contributions plus interest, or, if the member dies after accruing 15 years of service credit, this beneficiary is eligible to choose a lifetime monthly annuity option.
- Section II-B: If the primary beneficiary and the member die at the same time, or if the beneficiary predeceases the member and the beneficiary is never changed, the benefits described above default to the **contingent beneficiary**.
- Section III: A group life insurance beneficiary receives a payment equal to one year's salary if the member dies while still on payroll and has at least one year of service credit in the account. The one-year requirement is waived if the member's death is job-related.



Beneficiary designations

- **Form 1102** (continued)
 - Member's signature must be accompanied by the signature of a notary public.
 - The primary (Section II-A) beneficiary cannot be the same as the contingent (Section II-B) beneficiary.
 - If a member designates more than one beneficiary in a particular section, benefits are split equally among the beneficiaries.



Trust designations

- **Form 1103** (revised April 2008)
 - Members may designate a trust as beneficiary if they want a trust specified as the recipient of death benefits.
 - Give this form to the member only if a trust has already been established.
 - Otherwise, the member can simply name their desired beneficiary on **Form 1102**. In the event of death, benefits would be paid to a conservator or guardian if the beneficiary is legally unable to receive the proceeds directly.



Other uses for enrollment form

■ Form 1100

- Change member's name and/or address. If member is changing name, submit the following with Form 1100:
 - Copy of the Social Security card reflecting the member's new name;
 - Certified copy of the member's divorce decree or copy of the member's marriage license; or,
 - A copy of the court order changing the member's name (includes annulment and adoption).
- Correct member's date of birth or Social Security number.



Member account statements

- Distributed annually, generally in September, to all covered employers for distribution to employees.
- Members may call the Retirement Systems at any time to request a statement.
- You can also view the member's account using the Retirement Systems' Electronic Employer Services (EES).



Summary quiz

- You have hired a part-time temporary employee. The employee has an inactive account with the Retirement Systems. Does the employee have the option of non-membership?



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Employers covered by the South Carolina Retirement Systems are not agents of the Retirement Systems.



Questions

